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FM AMCONSUL LAGOS
TO RUEHC/SECSTATE WASHDC IMMEDIATE 6734
INFO RUEHZK/ECOWAS COLLECTIVE IMMEDIATE
RUEHUJA/AMEMBASSY ABUJA IMMEDIATE 6996
RUEHBK/AMEMBASSY BANGKOK IMMEDIATE 0088
RUEHEG/AMEMBASSY CAIRO IMMEDIATE 0136
RUEHDK/AMEMBASSY DAKAR IMMEDIATE 0699
RUEHLO/AMEMBASSY LONDON IMMEDIATE 0579
RUEHML/AMEMBASSY MANILA IMMEDIATE 0110
RUEPGDA/USEUCOM JIC VAIHINGEN GE IMMEDIATE
RUEAIIA/CIA WASHINGTON DC IMMEDIATE
RHEBAAA/DEPT OF ENERGY WASHINGTON DC IMMEDIATE
RUCPDOC/DEPT OF COMMERCE WASHDC IMMEDIATE
RUEATRS/DEPT OF TREASURY WASHDC IMMEDIATE
RHEFDIA/DIA WASHINGTON DC IMMEDIATE
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S E C R E T SECTION 01 OF 03 LAGOS 000339

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STATE PASS DOE FOR DAS JBRODMAN AND CGAY
TREASURY FOR ASEVERENS AND SRENENDER
COMMERCE FOR KBURRESS
STATE PASS TRANSPORTATION FOR MARAD
STATE PASS USAID FOR GWEYNAND AND SLAWAETZ
STATE FOR DS/IP/AF, AF/EX, DS/IP/OPO, DS/ICI/PII, DS/DSS/ITA

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TAGS: [EPET](#) [PGOV](#) [ASEC](#) [PTER](#) [KHLS](#) [PINR](#) [ETRD](#) [CASC](#) [NI](#)
SUBJECT: NIGERIA: HOSTAGE-TAKING, SITREP # 18

Classified By: Acting Political/Economic Chief Shannon Ross
for reasons 1.4 (D/E).

Hostage Welfare Update

[¶1.](#) (C) Academic Associates Peaceworks Director Judy Assuni provided confirmed proof of life answers for Briton John Hudspith to the British Mission, but no additional information was provided for AmCits Russell Spell and Cody Oswalt. Willbros is contacting Oswalt's colleagues to ascertain his ability to withstand mental stress after hearing concerns he might be displaying signs of withdrawal. Willbros management again raised the issue of launching a public appeal through a third party for the hostages' release.

Hostage Negotiations

[¶12.](#) (C) There has been no major breakthrough in hostage release negotiations, although rumors continue that the hostages will be released in the next few days. Sources in Warri told Conoff that Delta State Governor Ibori's negotiating committee has been inactive in securing the hostages' release. State officials appear distracted by an executive committee meeting tomorrow in Asaba, Delta State. Sources in Warri told us the hostage-takers continue to interact with members of the international media rather than speak to Ibori's negotiating team. British Deputy High Commissioner (DHC) said Ibori does not appear central to the federal government's negotiation strategy, and he did not believe Ibori played a positive role in the release of the six hostages. The DHC told us the British High Commissioner would raise questions with President Obasanjo or other senior GON officials regarding the stalled negotiation process, and

the GON's plans to move forward with alternate lines of communication. He indicated the British Mission was beginning coordination at high levels within the Foreign Office on this issue as well.

¶3. (C) A Shell representative told Econoff there are indications the GON is negotiating with the hostage-takers in Abuja regarding the percentage of oil derivations flowing to the Niger Delta states. Increased oil derivation funds have been a key demand from Niger Delta political and community activists.

Energy Update: Shell Facilities Still Closed

¶4. (C) There is no change in the status of damaged or closed Shell facilities, and production remains reduced approximately 550,000 bpd. Shell reported the Nigerian Navy and Joint Task Frce (JTF) increased their presence near Bonny Island, and near its Liquefied Natural Gas (LNG) facilities. Chevron reported one of their ships was approached by two zodiac boats March 5, presumably in a hostile manner, but the ship escaped before the intent could be confirmed.

¶5. (C) Power Holding Company of Nigeria (PHCN) Managing Director Makoju reports power generation remains down by approximately 800 MW (of a total of 3200 MW nationwide). Makoju expects the Escravos-Lagos gas pipeline to be down for quite some time. The Nigerian Gas Company (NGC) Executive Director of Operations Yakubu told us they have not yet assessed damage to the gas pipeline and do not intend to do

LAGOS 00000339 002 OF 003

so until the security situation improves.

¶6. (C) British Deputy High Commissioner and several other sources complained Shell was withholding information. There are emerging tensions between Shell and Willbros over Willbros because Shell operations managers are pressuring them to redeploy teams to Forcados and other areas Willbros does not consider safe. Willbros also complained Shell's deployment of other contractors' teams could endanger the hostages.

Delta Working Group Review

¶7. (C) The Delta Working Group (DWG) met March 7 to share information on latest developments in the Delta. Oil company representatives from Chevron and Exxon Mobil said Joint Task Force (JTF) Commander Elias Zamani had been removed yesterday, and is currently being questioned by the Economic and Financial Crimes Commission (EFCC). Oil company representatives said the costs oil companies have to bear to maintain security in the Delta were increasing, and that oil service contractors were turning down contracts by Shell to avoid travel to the region. They requested USG and UKG assistance in pushing the GON to maintain greater security in the Delta. EFCC Lagos Branch Director Ibrahim Lamorde told the DWG that EFCC Chairman Ribadu has no confidence in the JTF to provide security for the Delta area, and that their organization plans to spend resources in the Delta to develop an intelligence network there.

Military Update

¶8. (S) Military sources said there was very little if any military activity in the region. They confirmed JTF Commander General Zamani and Deputy Commander General Okedokun were removed from their positions and questioned by the EFCC. Zamani was replaced by General Idoko. Both Zamani

and Okedokun are alleged to be involved in oil bunkering and protection racketeering in the Niger Delta.

Media Update

19. (SBU) The Movement for the Emancipation of the Niger Delta (MEND) sent emails to media houses threatening to begin further strikes against oil facilities beginning March 10, in a campaign called "Black Mamba," if the federal government did not meet its demands. Yesterday, the media also featured MEND statements distancing themselves from both Bello Oboko and the Federated Niger Delta Ijaw Communities (FNDIC). Press reports, including editorials in leading dailies, highlighted power cuts and the scarcity of kerosene in Lagos and other parts of the country. (Note: Both the Warri and Kaduna refineries remain down due to pipeline damage. End note.) A leading daily reported Ijaws in Washington DC and London would stage a protest today hoping to convince the international community to intervene on their behalf.

Consular Update

110. (C) There have been no reports of additional attacks on AmCits. One mission Conoff and FEST member are in Warri monitoring negotiations and prepared to assist with

LAGOS 00000339 003 OF 003

repatriation. The UK also has a consular officer in Warri to monitor negotiations and assist with repatriation.
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